

FORM D

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM D
NOTICE OF SALE OF SECURITIES
PURSUANT TO REGULATION D
SECTION 4(6), AND/OR
UNIFORM LIMITED OFFERING EXEMPTION PROCESSED

JUN 22 2007

OMB APPROVAL

OMB Number: 3235-0076
Expires: April 30, 2008
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SEC USE ONLY

Prefix Serial

DATE RECEIVED

THOMSON

FINANCIAL

Name of Offering (If check if this is an amendment and name has changed, and indicate change.)
MERGER WITH ADVANCED DRILLING SERVICES and INNER MONGOLIA PRODUCTION COMPANY

Filing Under (Check box(es) that apply): ☐ Rule 504 ☐ Rule 505 ☒ Rule 506 ☐ Section 4(6) ☐ ULOE

Type of Filing: ☐ New Filing ☒ Amendment

A. BASIC IDENTIFICATION DATA

1. Enter the information requested about the issuer

Name of Issuer (If check if this is an amendment and name has changed, and indicate change.)
Pacific Asia Petroleum, Inc.

Address of Executive Offices (Number and Street, City, State, Zip Code) Telephone Number (Including Area Code)
250 East Hartsdale Ave, Hartsdale, NY 10530 (914) 304-4369

Address of Principal Business Operations (Number and Street, City, State, Zip Code) Telephone Number (Including Area Code)
(if different from Executive Offices) Same Same

Brief Description of Business
Oil and gas exploration, development and production in Asia and the Pacific Rim countries.

Type of Business Organization
☒ corporation ☐ limited partnership, already formed ☐ other (please specify):
☐ business trust ☐ limited partnership, to be formed

Actual or Estimated Date of Incorporation or Organization: Month Year
Jurisdiction of Incorporation or Organization: (Enter two-letter U.S. Postal Service abbreviation for State: [X] Actual [] Estimated
CN for Canada; FN for other foreign jurisdiction) [DE]

GENERAL INSTRUCTIONS

Federal:

Who Must File: All issuers making an offering of securities in reliance on an exemption under Regulation D or Section 4(6), 17 CFR 230.501 et seq. or 15 U.S.C. 77d(6).

When To File: A notice must be filed no later than 15 days after the first sale of securities in the offering. A notice is deemed filed with the U.S. Securities and Exchange Commission (SEC) on the earlier of the date it is received by the SEC at the address given below or, if received at that address after the date on which it is due, on the date it was mailed by United States registered or certified mail to that address.

Where to File: U.S. Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549

Copies Required: Five (5) copies of this notice must be filed with the SEC, one of which must be manually signed. Any copies not manually signed must be photocopies of the manually signed copy or bear typed or printed signatures.

Information Required: A new filing must contain all information requested. Amendments need only report the name of the issuer, and offering, any changes thereto, the information requested in Part C, and any material changes from the information previously supplied in Parts A and B. Part E and the Appendix need not be filed with the SEC.

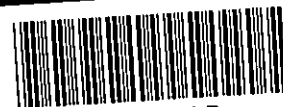
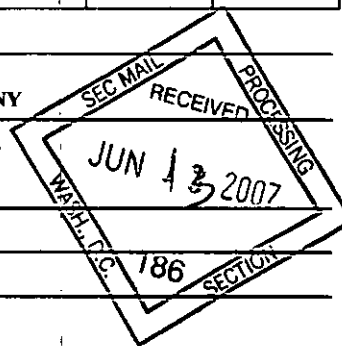
Filing Fee: There is no federal filing fee.

State:

This notice shall be used to indicate reliance on the Uniform Limited Offering Exemption (ULOE) for sales of securities in those states that have adopted ULOE and that have adopted this form. Issuers relying on ULOE must file a separate notice with the Securities Administrator in each state where sales are to be, or have been made. If a state requires the payment of a fee as a precondition to the claim for the exemption, a fee in the proper amount shall accompany this form. This notice shall be filed in the appropriate states in accordance with state law. The Appendix to the notice constitutes a part of this notice and must be completed.

ATTENTION

Failure to file notice in the appropriate states will not result in a loss of the federal exemption. Conversely, failure to file the appropriate federal notice will not result in a loss of an available state exemption unless such exemption is predicated on the filing of a federal notice.



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C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS

1. Enter the aggregate offering price of securities included in this offering and the total amount already sold. Enter "0" if answer is "none" or "zero." If the transaction is an exchange offering, check this box ☐ and indicate in the columns below the amounts of the securities offered for exchange and already exchanged.

Type of Security	Aggregate Offering Price	Amount Already Sold
Debt.....	\$ _____	\$ _____
Equity.....	\$ _____	\$ _____
<input type="checkbox"/> Common <input type="checkbox"/> Preferred		
Convertible Securities (including warrants).....	\$ _____	\$ _____
Partnership Interests.....	\$ _____	\$ _____
Other (MEMBERSHIP UNITS).....	\$ ***	\$ ***
Total.....	\$ ***	\$ ***

Answer also in Appendix, Column 3, if filing under ULOE

2. Enter the number of accredited and non-accredited investors who have purchased securities in this offering and the aggregate dollar amounts of their purchases. For offerings under Rule 504, indicate the number of persons who have purchased securities and the aggregate dollar amount of their purchases on the total lines. Enter "0" if answer is "none" or "zero."

	Number Investors	Aggregate Dollar Amount of Purchases
Accredited Investors.....	138	\$392,009,940***
Non-accredited Investors.....	5	\$ 646,750***
Total (for filings under Rule 504 only).....	143	\$392,656,690***

Answer also in Appendix, Column 4, if filing under ULOE

3. If this filing is for an offering under Rule 504 or 505, enter the information requested for all securities sold by the issuer, to date, in offerings of the types indicated, in the twelve (12) months prior to the first sale of securities of this offering. Classify securities by type listed in Part C - Question 1.

Type of offering	Type of Security	Dollar Amount Sold
Rule 505.....	_____	\$ _____
Regulation A.....	_____	\$ _____
Rule 504.....	_____	\$ _____
Total.....	_____	\$ _____

4. a. Furnish a statement of all expenses in connection with the issuance and distribution of the securities in this offering. Exclude amounts relating solely to organization expenses of the issuer. The information may be given as subject to future contingencies. If the amount of an expenditure is not known, furnish an estimate and check the box to the left of the estimate.

Transfer Agent's Fees.....	<input checked="" type="checkbox"/> [x]	\$ 5,000
Printing and Engraving Costs.....	<input type="checkbox"/> []	\$ _____
Legal Fees.....	<input checked="" type="checkbox"/> [x]	\$ 30,000
Accounting Fees.....	<input checked="" type="checkbox"/> [x]	\$ 20,000
Engineering Fees.....	<input type="checkbox"/> []	\$ _____
Sales Commissions (specify finders' fees separately).....	<input type="checkbox"/> []	\$ _____
Other Expenses (identify).....	<input type="checkbox"/> []	\$ _____
Total.....	<input checked="" type="checkbox"/> [x]	\$ 55,000

***This Form D is being filed in connection with the mergers and reorganizations (the "Mergers") between Advanced Drilling Services, LLC ("ADS"), a Delaware limited liability company, Inner Mongolia Production Company, LLC ("IMPCO"), a New York limited liability company, and the Issuer. ADS contributed 9,850,000 of its Class A units in exchange for 9,850,000 shares of Common Stock of the Issuer, the total value being \$98,007,500, calculated by multiplying the total number of ADS shares exchanged for the Issuer's stock by \$9.95, which is the closing sales price ("Closing Price") on the date of the Mergers of the common stock of the Issuer as listed on the pink sheets under "PCAD.PK" on May 7, 2007. ADS contributed 13,600,000 of its Class B units for 13,600,000 shares of Series A Preferred Stock of the Issuer, for a total value of \$135,320,000, per the Closing Price. IMPCO contributed 347,296 of its Class A units in exchange for 5,904,032 shares of Common Stock of the Issuer, with a value of \$58,745,118 (per the Closing Price) and 594,644 Class B Units in exchange for 10,108,952 shares of Series A Preferred Stock, for a value of \$100,584,072, per the Closing Price. None of the unitholders of ADS or IMPCO paid any cash for any of the Issuer's stock in connection with the reorganization, and all expenses listed above relate to expenses incurred in connection with the reorganization.

C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS

4. b. Enter the difference between the aggregate offering price given in response to Part C - Question 1 and total expenses furnished in response to Part C - Question 4.a. This difference is the "adjusted gross proceeds to the issuer."


\$ ***

5. Indicate below the amount of the adjusted gross proceeds to the issuer used or proposed to be used for each of the purposes shown. If the amount for any purpose is not known, furnish an estimate and check the box to the left of the estimate. The total of payments listed must equal the adjusted gross proceeds to the issuer set forth in response to Part C - Question 4.b above.

		Payments to Officers, Directors, & Affiliates		Payments To Others
Salaries and fees.....	<input type="checkbox"/>	\$	<input type="checkbox"/>	\$
Purchase of real estate	<input type="checkbox"/>	\$	<input type="checkbox"/>	\$
Purchase, rental or leasing and installation of machinery and equipment.....	<input type="checkbox"/>	\$	<input type="checkbox"/>	\$
Construction or leasing of plant buildings and facilities.....	<input type="checkbox"/>	\$	<input type="checkbox"/>	\$
Acquisition of other business (including the value of securities involved in this offering that may be used in exchange for the assets or securities of another issuer pursuant to a merger)	<input type="checkbox"/>	\$	<input type="checkbox"/>	\$
Repayment of indebtedness.....	<input type="checkbox"/>	\$	<input type="checkbox"/>	\$
Working capital	<input type="checkbox"/>	\$	<input type="checkbox"/>	\$
Other(specify):	<input type="checkbox"/>	\$	<input type="checkbox"/>	\$
.....	<input type="checkbox"/>	\$	<input type="checkbox"/>	\$
.....	<input type="checkbox"/>	\$	<input type="checkbox"/>	\$
Column Totals	<input type="checkbox"/>	\$	<input type="checkbox"/>	\$
Total Payments Listed (column totals added).....			<input type="checkbox"/>	\$ N/A ***

D. FEDERAL SIGNATURE

The issuer has duly caused this notice to be signed by the undersigned duly authorized person. If this notice is filed under Rule 505, the following signature constitutes an undertaking by the issuer to furnish to the U.S. Securities and Exchange Commission, upon written request of its staff, the information furnished by the issuer to any non-accredited investor pursuant to paragraph (b)(2) of Rule 502.

Issuer (Print or Type) Pacific Asia Petroleum, Inc.	Signature 	Date May 31, 2007
Name of Signer (Print or Type) Frank Ingriselli	Title of Signer (Print or Type) President and Chief Executive Officer	

END**ATTENTION****Intentional misstatements or omissions of fact constitute federal criminal violations. (See 18 U.S.C. 1001).**